APPRAISAL REPORT

of

37 Green Street

Middletown, CT 06457

As Of:

August 1, 2005

Prepared For:

Mr. William Warner
City of Middletown
245 DeKoven Drive
Middletown, CT 06457

Prepared By:

John W. Nitz, MAI
John W. Nitz & Associates, LLC
155 Greystone Drive
Plantsville, CT 06479

John W. Nitz & Associates, LLC

SMALL RESIDENTIAL INCOME PROPERTY APPRAISAL REPORT

File No.
Case No.

SUBJECT

Property Address 37 Green Street | City Middletown | State CT | Zip Code 06457
Legal Description Volume 1150, Page 575, of the Middletown Land Records | County Middlesex
Assessor's Parcel No. Map 22, Block 17-37, Lot 15 | Tax Year 2004 | R.E. Taxes $ 2,268.74 | Special Assessments $ N/A
Neighborhood or Project Name Not applicable | Map Reference 3280 | Census Tract 5416
Borrower Not applicable | Current Owner John W. Dalton | Occupant [ ] Owner [ ] Tenant [X] Vacant
Property rights appraised [X] Fee Simple [ ] Leasehold | Project Type [ ] PUD [ ] Condominium | HOA$ N/A /Mo.
Sales Price $ N/A | Date of Sale N/A | Description and $ amount of loan charges/concessions to be paid by seller N/A
Lender/Client Mr. William Warner, City of Middletown | Address 245 DeKoven Drive, Middletown, CT 06457
Appraiser John W. Nitz, MAI | Address 155 Greystone Drive, Plantsville, CT 06479

NEIGHBORHOOD

				Predominant Single Family Occupancy	Single family housing PRICE $ (000)	AGE (yrs)	Predominant 2-4 Family Occupancy	2-4 family housing PRICE $ (000)	AGE (yrs)
Location	[X] Urban	[ ] Suburban	[ ] Rural	[X] Owner	70 Low	60	[ ] Owner	70 Low	75
Built up	[X] Over 75%	[ ] 25-75%	[ ] Under 25%	[ ] Tenant	180 High	125	[X] Tenant	250 High	125
Growth rate	[ ] Rapid	[ ] Stable	[X] Slow	[X] Vacant (0-5%)	Predominant		[X] Vacant (0-5%)	Predominant	
Property values	[X] Increasing	[ ] Stable	[ ] Declining	[ ] Vacant (over 5%)	140	65	[ ] Vacant (over 5%)	185	110
Demand/supply	[ ] Shortage	[X] In balance	[ ] Over supply						
Marketing time	[ ] Under 3 mos.	[X] 3-6 mos.	[ ] Over 6 mos.						

Typical 2-4 family bldg. Type Wood frame | No. stories 2 | No. units 2 | Age 105 yrs.
Typical rents $ 600 to $ 900 | [X] Increasing [ ] Stable [ ] Declining
Est. neighborhood apt. vacancy 5 % | [ ] Increasing [X] Stable [ ] Declining
Rent controls [ ] Yes [X] No [ ] Likely | If yes or likely, describe
No rent controls are evident in the subject neighborhood.

Present land use %	
One family	5
2-4 family	60
Multi-family	5
Commercial	15
(Other)	15

Land use change: [X] Not likely [ ] Likely [ ] In process to: Not applicable

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood boundaries and characteristics: The subject neighborhood is bounded to the east by Route 9 or the parallel running Connecticut River; to the north by the Mattabesset River; to the west by the Coginchaug River; and to the south by the connector to Route 9, South Main Street, Warwick Street, and Bretton Road. The neighborhood envelopes Middletown's Main Street and its Central Business District. Two- to four-family dwellings are the dominant land use. Vacant land consists mostly of undevelopable flood plain or steep ravines.

Factors that affect the marketability of the properties in the neighborhood (proximity to employment and amenities, employment stability, appeal to market, etc.):
The neighborhood embodies much of the old growth of the city of Middletown as well as its regenerated and active downtown commercial district. The City has devoted a considerable amount of its resources towards improving the commercial viability and residential attractiveness of the neighborhood. A solid benefactor of the neighborhood has been Wesleyan University which is located within its confines. Employment exists within the neighborhood at Middlesex Hospital, Wesleyan University, the City of Middletown, and a multiplicity of small businesses. A network of highways service the neighborhood, notably, limited-access north/south Route 9 and east/west Route 66 and its Arrigoni Bridge, one of the few area links over the Connecticut River.

The following available listings represent the most current, similar, and proximate competitive properties to the subject property in the subject neighborhood. This analysis is intended to evaluate the inventory currently on the market competing with the subject property in the subject neighborhood and recent price and marketing time trends affecting the subject property. (Listings outside the subject neighborhood are not considered applicable). The listing comparables can be the rental or sale comparables if they are currently for sale.

ITEM	SUBJECT	COMPARABLE LISTING NO. 1	COMPARABLE LISTING NO. 2	COMPARABLE LISTING NO. 3
Address	37 Green Street Middletown, CT 06457	27 Saybrook Road Middletown, CT	98 Eastern Drive Middletown, CT	1 Pomeroy Place Middletown, CT
Proximity to subject		1.35 miles	.90 of a mile	.30 of a mile
Listing price	$ N/A	[X] Unf. [ ] Furn.$ 159,900	[X] Unf. [ ] Furn.$ 168,900	[X] Unf. [ ] Furn.$ 169,900
Approximate GBA	1,917	1,602	1,554	1,484
Data source	Inspection	Realtor's Multiple Listing Svs.	Realtor's Multiple Listing Svs.	Realtor's Multiple Listing Svs.
# Units/Tot. rms/BR/BA	2 8 4 2.0	2 8 4 2.0	2 8 3 2.0	2 8 4 2.0
Approximate year built	Circa 1900	Circa 1900	Circa 1900	Circa 1900
Approx. days on market	N/A	38 days	74 days	146 days

Comparison of listings to subject property: All comparable listings are in superior condition and superior locations. Listing 2 has a bigger lot than the subject. Listings 1 and 2 have off-street parking. The subject has a gross building area that is larger than all the listings.

Market conditions that affect 2-4 family properties in the subject neighborhood (including the above neighborhood indicators of growth rate, property values, demand/supply, and marketing time) and the prevalence and impact in the subject market area regarding loan discounts, interest buydowns and concessions, and identification of trends in listing prices, average days on market and any change over past year, etc.: Property values have risen markedly within the neighborhood as well as its surrounding area since 2001. Residential real estate appreciation averaged between 15% to 30% annually. Favorable annual interest rates ranging between 5.5% and 6.5% for a 30-year, fixed-rate mortgage loan, stable low unemployment levels, and investor disinvestment from the stock market have spurred market activity. Two- to four-family dwellings are the predominant type of housing and the rental market remains vibrant. The supply of multi-family properties on the market is low and the demand for them remains high.

SITE

Dimensions 28' x 90' x 28' x 90'
Site area 2,520 square feet or .06 of an acre | Corner lot [X] No [ ] Yes
Specific zoning classification and description B-1, Downtown Business
Zoning compliance [ ] Legal [X] Legal nonconforming (Grandfathered use) [ ] Illegal [ ] No zoning
Highest & best use as improved: [X] Present use [ ] Other use (explain)

Utilities	Public	Other
Electricity	X	
Gas	X	
Water	X	
Sanitary sewer	X	
Storm sewer	X	

Off-site Improvements	Type	Public	Private
Street	Asphalt	X	
Curb/gutter	Concrete	X	
Sidewalk	Concrete	X	
Street lights	Incandescent	X	
Alley	None		

Topography	Generally level
Size	Typical
Shape	Rectangular
Drainage	Adequate
View	Residential
Landscaping	Inferior
Driveway	None
Apparent easements	None adverse

FEMA Special Flood Hazard Area [ ] Yes [X] No
FEMA Zone X | Map Date 3-7-01
FEMA Map No. 090068 0006C

COMMENTS

Comments (apparent adverse easements, encroachments, special assessments, slide areas, illegal or legal nonconforming zoning, use, etc.):
The subject property is located outside of a designated flood zone. The subject site is a legal conforming lot upon which improvements could be built if fire damaged or destroyed by natural catastrophe. The site is currently litter-strewn and unkempt, as the subject building has been condemned by the City of Middletown as unsuitable for occupancy, and is currently boarded up.

SMALL RESIDENTIAL INCOME PROPERTY APPRAISAL REPORT

File No.
Case No.

DESCRIPTION OF IMPROVEMENTS

General description

Units/bldgs.	2 / 1
Stories	Two
Type (det./att.)	Detached
Design (style)	Conventional
Existing/proposed	Existing
Under construction	No
Year Built	Circa 1900
Effective age (yrs.)	45 years

Exterior description (Materials/condition)

Foundation	Stone
Exterior walls	Vinyl/Average
Roof surface	Asphalt shingle/Avg.
Gutters & dwnspts.	Aluminum/Average
Window type	Vinyl/Average
Storm sash/Screens	Vinyl/Average
Manufactured housing*	[ ] Yes [X] No

*(Complies with the HUD Manufacturing Housing Construction and Safety Standards.)

Foundation

Slab	None
Crawl space	None
Sump Pump	Unknown
Dampness	Unknown
Settlement	Unknown
Infestation	Unknown
Basement	100 % of 1st floor area
Basement finish	None

Insulation (R-value if known)

[ ] Roof	Unknown
[ ] Ceiling	Unknown
[ ] Walls	Unknown
[ ] Floor	Unknown
[ ] None	

Adequacy Undetermin.
Energy efficient items: Unknown

Units	Level(s)	Foyer	Living	Dining	Kitchen	Den	Family rm.	Bedrooms	# Baths	Laundry	Other	Sq. ft./unit	Total ☐
1			1		1			2	1.00				957
1			1		1			2	1.00				957

Improvements contain: 8 Rooms: 4 Bedroom(s): 2.0 Bath(s): 1,914 Square feet of GROSS BUILDING AREA

GROSS BUILDING AREA (GBA) IS DEFINED AS THE TOTAL FINISHED AREA (INCLUDING COMMON AREAS) OF THE IMPROVEMENTS BASED UPON EXTERIOR MEASUREMENTS.

Surfaces (Materials/condition)

Floors	Unknown
Walls	Unknown
Trim/finish	Unknown
Bath floor	Unknown
Bath wainscot	Unknown
Doors	Unknown

Fireplace(s) None #

Heating

Type	FWA
Fuel	Oil
Condition	Unknown

Cooling

Central	None
Other	Window
Condition	N/A

Kitchen equip. (# / unit- cond.)

Refrigerator	Unknown
Range/oven	Unknown
Disposal	Unknown
Dishwasher	Unknown
Fan/hood	Unknown
Compactor	Unknown
Washer/dryer	Unknown
Microwave	Unknown
Intercom	Unknown

Attic

[X]	None
[ ]	Stairs
[ ]	Drop stair
[ ]	Scuttle
[ ]	Floor
[ ]	Heated
[ ]	Finished
[ ]	Unfinished

Car Storage No. Cars

Garage	[ ]
Carport	[ ]
Attached	[ ]
Detached	[ ]
Adequate	[ ]
Inadequate	[ ]
Offstreet	[X]
None	[ ]

Condition of the improvements, repairs needed, quality of construction, additional features, modernization, etc.:

At the date of inspection, the subject dwelling was boarded up and apparently unoccupied. An interior inspection of the subject premises was not made by your appraiser. An exterior inspection, however, was made and deemed satisfactory for the purpose of this appraisal by the City of Middletown, as represented by City Planner, William Warner, for whom this appraisal was completed. Condemned as unsuitable for occupancy by the City of Middletown's Health Department, the subject property has been in a derelict state for two to three years according to Health Department officials.

ADDITIONAL COMMENTS

Depreciation (physical, functional, and external inadequacies, etc.):

At the date of inspection, the subject had suffered significant physical depreciation. The subject property also suffers from external obsolescence due to slightly softer market conditions in its immediate area. It also suffers functional obsolescence due to the lack of off-street parking spaces.

Adverse environmental conditions (such as, but not limited to, hazardous wastes, toxic substances, etc.) present in the improvements, on site, or in the immediate vicinity of the subject property:

The subject dwelling presumably has lead-based paint due to its construction prior to 1978. Asbestos may be evident in the basement. Although, your appraiser is not an expert in detecting such hazardous substances.

COST APPROACH

VALUATION ANALYSIS

ESTIMATED SITE VALUE = $ 15,000

ESTIMATED REPRODUCTION COST - NEW OF IMPROVEMENTS:

1,917 Sq. Ft. @ $	70.00	= $	134,190
957 Sq. Ft. @ $	20.00	= $	19,140
Sq. Ft. @ $		= $	
Sq. Ft. @ $		= $	
Sq. Ft. @ $		= $	
		= $	
		= $	
		= $	
		= $	
		= $	
Special Energy Efficient Items Standard		= $	
Porches, Patios, etc. Included above		= $	
Total Estimated Cost New		= $	153,330

	Physical	Functional	External		
Less Depreciation	50 / 76,665	0 / 0	15 / 11,500	= $	(88,165)
Depreciation Value of Improvements				= $	65,165
"As is" Value of Site Improvements				= $	0
INDICATED VALUE BY COST APPROACH				= $	80,165

Comments on Cost Approach (such as, source of cost estimate, site value, square foot calculations and, for HUD and VA, the estimated remaining economic life on the property):

The Marshall Valuation Service has been consulted in estimating the replacement cost of the improvements.

Physical depreciation to the subject property will be severe due to its run-down condition. There is no indication of functional obsolescence. The subject has been depreciated for external obsolescence due to the higher level of crime in the subject's immediate area.

SMALL RESIDENTIAL INCOME PROPERTY APPRAISAL REPORT

COMPARABLE RENTAL DATA

At least three rental comparables should be reported and analyzed in this section. The rental comparables should represent the most current rental information on properties as similar and proximate to the subject property as possible. (This comparison is based on current rental data, therefore, the rental comparables typically are not the same comparables used in the sales comparison analysis.) The appraisal report should assure the reader that the units and properties selected as comparables are comparable to the subject property (both the units and the overall property) and accurately represent the rental market for the subject property (unless otherwise stated within the report).

ITEM	SUBJECT	COMPARABLE RENTAL NO. 1	COMPARABLE RENTAL NO. 2	COMPARABLE RENTAL NO. 3
Address	37 Green Street Middletown, CT 06457	11 - 13 Wetmore Place Middletown, CT	19 Portland Street Middletown, CT	113 Grove Street Middletown, CT
Proximity to subject		.30 of a mile	.40 of a mile	.50 of a mile
Lease dates(if available)	Not applicable	Month-to-Month	Month-to-Month	Month-to-Month
Rent survey date	July 2005	July 2005	July 2005	July 2005
Data source	Inspection Public Records	Inspection, Public Records, Multiple Listing Service	Inspection, Public Records, Multiple Listing Service	Inspection, Public Records, Multiple Listing Service
Rent concessions	None evident	None evident	None evident	None evident
Description of property - units, design, appeal, age, vacancies, and conditions	No. Units 2 No. Vac. 2 Yr. Blt.: Circa 1900 Conv. design; .06 acre.; below avg. appeal; poor cond.; uninhabitable	No. Units 2 No. Vac. 0 Yr. Blt.: 1839 .06 acre lot, fenced-in yard; renovated in 1980, updated plumbing, electrical, insulation added to walls; good appeal	No. Units 2 No. Vac. 0 Yr. Blt.: .08 acre lot, small rear yard; conv. design and appeal; overall property requires Some updating and repair	No. Units 3 No. Vac. 0 Yr. Blt.: 1927 .14 acre lot; average appeal; New windows and roof

Individual unit breakdown

Subject Rm. Count Tot	Br	Ba	Size Sq. Ft.	Comp 1 Rm. Count Tot	Br	Ba	Size Sq. Ft.	Total Monthly Rent	Comp 2 Rm. Count Tot	Br	Ba	Size Sq. Ft.	Total Monthly Rent	Comp 3 Rm. Count Tot	Br	Ba	Size Sq. Ft.	Total Monthly Rent
4	2	1.0	957		1	1.0	702	575	4	2	1.0	880	500	5	2	1.0	1,134	600
4	2	1.0	957		1	1.0	702	550	4	2	1.0	880	550	5	2	1.0	1,134	650
														4	2	1.0	454	550

ITEM	SUBJECT	COMPARABLE RENTAL NO. 1	COMPARABLE RENTAL NO. 2	COMPARABLE RENTAL NO. 3
Utilities, furniture, and amenities included in rent	Unfurnished Tenants pay own electric and oil. Landlord pays water and sewer.	Unfurnished Tenants pay own electric and gas. Landlord pays water and sewer.	Unfurnished Tenants pay own electric and gas. Landlord pays water and sewer.	Unfurnished Tenants pay own electric and gas. Landlord pays water and sewer. Property was listed for $229,200.
Functional utility, basement, heating/cooling, project amenities, etc.	No garage; No offstreet parking; basement storage	No garage; No offstreet parking; basement storage	No garage; No offstreet parking; basement storage	No garage; six offstreet parking spaces; basement storage; laundry hook-up in basement for first two units

Analysis of rental data and support for estimated market rents for the individual subject units (including the adjustments used, the adequacy of comparables, rental concessions, etc.)

Comparables 1 and 2 are inferior to the subject when comparing unit size, requiring upward adjustments. Downward adjustments were required for Comparables 1 and 3 due to their superior locations compared to the subject. Also, Comparables 1 and 3 provide some offstreet parking which necessitates downward adjustments. The utilities arrangement with the subject and the three comparable rental units is similar; consequently, no adjustments are necessary for the utilities provided. For the purpose of comparison, it is assumed the subject property is in average condition with average appeal and adequate functionality.

Subject's rent schedule The rent schedule reconciles the applicable indicated monthly market rents to the appropriate subject unit, and provides the estimated rents for the subject property. The appraiser must review the rent characteristics of the comparable sales to determine whether estimated rents should reflect actual or market rents. For example, if actual rents were available on the sales comparables and used to derive the gross rent multiplier (GRM), actual rents for the subject should be used. If market rents were used to construct the comparables' rents and derive the GRM, market rents should be used. The total estimated rent must represent rent characteristics consistent with the sales comparable data used to derive the GRM. The total gross estimated rent is not adjusted for vacancy.

LEASES Unit	Lease Date Begin	Lease Date End	No. Units Vacant	ACTUAL RENTS Per Unit Unfurnished	Per Unit Furnished	Total Rents	ESTIMATED RENTS Per Unit Unfurnished	Per Unit Furnished	Total Rents
1	N/A	N/A	1	$ N/A	$ N/A	$ N/A	$ 600	$	$ 600
1	N/A	N/A	1	N/A	N/A	N/A	600		600
2			2			$ N/A			$ 1,200

Other monthly income (itemize) $ 0

Vacancy: Actual last year 100 % Previous year 100 % Estimated: 5 % $ 720 Annually Total gross estimated rent $ 1,200

Utilities included in estimated rents: ☐ Electric ☒ Water ☒ Sewer ☐ Gas ☐ Oil ☒ Trash collection ☐

Comments on the rent schedule, actual rents, estimated rents (especially regarding differences between actual and estimated rents), utilities, etc.:

The forecasted rents are based on the assumption that the subject property is habitable and that it is in average condition with average appeal and adequate functionality. It is also based on 100% tenant occupancy and the rental information provided by the above comparable rentals. Properties similar to the subject property often have one of the rental units occupied by an owner.

SMALL RESIDENTIAL INCOME PROPERTY APPRAISAL REPORT

File No.
Case No.

The undersigned has recited three recent sales of properties most similar and proximate to the subject property and has described and analyzed these in this analysis. If there is a significant variation between the subject and comparable properties, the analysis includes a dollar adjustment reflecting the market reaction to those items or an explanation supported by the market data. If a significant item in the comparable property is superior to, or more favorable than, the subject property, a minus (-) adjustment is made, thus reducing the adjusted sales price of the comparable property; if a significant item in the comparable property is inferior to, or less favorable than, the subject property, a plus (+) adjustment is made, thus increasing the adjusted sales price of the comparable property. [(1) Sales Price / Gross Monthly Rent]

SALES COMPARISON ANALYSIS

ITEM	SUBJECT	COMPARABLE SALE NO. 1		COMPARABLE SALE NO. 2		COMPARABLE SALE NO. 3	
Address	37 Green Street Middletown, CT 06457	19 Portland Street Middletown, CT		7 Maple Street Middletown, CT		519 High Street Middletown, CT	
Proximity to subject		.40 of a mile		One mile		.30 of a mile	
Sales price	$ N/A	[X] Unf. [ ] Furn. $ 73,000		[X] Unf. [ ] Furn. $ 108,500		[X] Unf. [ ] Furn. $ 137,000	
Sales price per GBA	$ N/A	$ 41.48		$ 46.61		$ 66.89	
Gross monthly rent	$ 1,200	$ 1,200 est.		$ 1,400		$ 1,500	
Gross mo. rent mult. (1)	70.00	60.83		77.50		91.33	
Sales price per unit	$ N/A	$ 36,500		$ 54,250		$ 68,500	
Sales price per room	$ N/A	$ 9,125		$ 13,563		$ 13,700	
Data and/or Verification Sources	Inspection Public Records	Inspection, Public Records Multiple Listing Service		Inspection, Public Records Multiple Listing Service		Inspection, Public Records Multiple Listing Service	
ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment
Sales or financing concessions		$58,400 mtge. Bank of America		No financing recorded		$153,000 mtge. Citizen's Bank	
Date of sale/time		9-30-04	+10,000	5-24-05		1-26-05	+7,500
Location	Average	Similar		Superior	-3,000	Superior	-7,500
Leasehold/Fee Simple	Fee Simple	Similar		Similar		Similar	
Site	.06 of an acre	.08 of an acre		.22 of an acre	-10,000	.20 of an acre	-10,000
View	Residential	Similar		Similar		Similar	
Design and appeal	Two-family/fair	Two-family/fair		Two-family/super.	-5,000	Two-family/super.	-5,000
Quality of construction	Average	Similar		Similar		Similar	
Age	105+/- years	105+/- years		120+/- years		105+/- years	
Condition	Poor	Fair	-12,000	Fair	-10,000	Average	-40,000
Gross Building Area	1,917 Sq. ft.	1,760 Sq. ft.	+3,140	2,328 Sq. ft.	-8,220	2,048 Sq. ft.	-2,620
Unit breakdown	No. of units / Rm. count Tot Br Ba / No. Vac.	No. of units / Rm. count Tot Br Ba / No. Vac.		No. of units / Rm. count Tot Br Ba / No. Vac.		No. of units / Rm. count Tot Br Ba / No. Vac.	
	1 4 2 1.0	1 4 2 1.0		1 4 2 1.0		1 5 2 1.0	
	1 4 2 1.0	1 4 2 1.0		1 4 2 1.0		1 5 2 1.0	
Basement description	Full, unfinished	Similar		Similar		Similar	
Functional utility	Average	Similar		Similar		Similar	
Heating/cooling	Oil/FWA	Gas/FWA		Gas/FWA		Oil/FWA	
Parking on/off site	Off-site	Off-site		Two on-site		Six on-site	
Project amenities and fee (If applicable)	Front and back porches	Front porch, Small wd. deck	+1,000	Small front porch and side porches		Encl. front porch and back porches	-1,500
Net Adj. (total)		[X] + [ ] - $ 2,140		[ ] + [X] - $ -36,220		[ ] + [X] - $ -59,120	
Adjusted sales price of comparable		Net= 3% Gross= 36% $ 75,140		Net= -33% Gross= 33% $ 72,280		Net= -43% Gross= 54% $ 77,880	

Comments on sales comparison (including reconciliation of all indicators of value as to consistency and relative strength and evaluation of the typical investor's/purchaser's motivation in that market): The gross living adjustment equates to $20.00 per square foot. Most consideration has been given to Sale 1 which is similar to the subject in design, appeal, site, and location. Positive adjustments were made to Sale 1 for date of sale and gross building area, and a negative adjustment for condition. Sale 2 required negative adjustments for location, size of site, appeal, condition, and gross building area.

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Date, Price and Data Source for prior sales within year of appraisal	Not applicable	Not applicable	Not applicable	Not applicable

Analysis of any current agreement of sale, option, or listing of the subject property and analysis of any prior sales of subject and comparables within one year of the date of appraisal:

INC

Total gross monthly estimated rent $ 1,200 x gross rent multiplier (GRM) 70.00 = $ 84,000 INDICATED VALUE BY INCOME APPROACH

Comments on income approach (including expense ratios, if available, and reconciliation of the GRM)
Most consideration has been given to Sales 2 and 3 in establishing the GRM.

RECONCILIATION

INDICATED VALUE BY SALES COMPARISON APPROACH $ 75,000
INDICATED VALUE BY INCOME APPROACH $ 84,000
INDICATED VALUE BY COST APPROACH $ 80,165

This appraisal is made [X] "as is" [ ] subject to the repairs, alterations, inspections, or conditions listed below [ ] subject to completion per plans and specifications.

Comments and conditions of appraisal: The subject has been appraised in its "as is" condition. It has been determined deemed unsuitable for habitation by the City of Middletown Health Department.

Final reconciliation: The sales comparison approach has been given primary consideration in this analysis, supported by the cost approach and the income capitalization approach.

The purpose of this appraisal is to estimate the market value of the real property that is the subject of this report, based on the above conditions and the certification, contingent and limiting conditions, and market value definition that are stated in the attached Freddie Mac Form 439/Fannie Mae Form 1004B (Revised 6-93).
I (WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE REAL PROPERTY THAT IS THE SUBJECT OF THIS REPORT, AS OF August 1, 2005 (WHICH IS THE DATE OF INSPECTION AND THE EFFECTIVE DATE OF THIS REPORT) TO BE $ 78,000.

APPRAISER:
Signature John W. Nitz
Name John W. Nitz, MAI
Date Report Signed 9/15/05
State Certification # 449 State CT
Or State License # State

SUPERVISORY APPRAISER (ONLY IF REQUIRED):
Signature [ ] Did [ ] Did Not Inspect Property
Name
Date Report Signed
State Certification # State
Or State License # State

SUBJECT PHOTOGRAPHS

Front and side view

Rear and side view

SUBJECT PHOTOGRAPHS (Continued)

Street scene westerly

Street scene easterly

COMPARABLE SALE PHOTOGRAPHS

Sale 1

Sale 2

Sale 3

Sale 1
Sale 3
Subject
Sale 2
CROMWELL
Mattabassett River
MIDDLEFIELD
NEWFIELD ST
RIDGEWOOD RD
MILLBROOK RD
MAIN ST
MARGARITE RD
ARBUTUS ST
COLEMAN RD
LONG HILL RD
GLEESON RD
MAPLESHADE RD
CRYSTAL LAKE RD
OLD MILL RD
BROADVIEW PKY
WESTFIELD TER
BASSWOOD RD
CAMP ST
GEORGE ST
LAUREL GROVE
FOREST ST
BALLFALL RD
OLYMPUS PKY
HIGBY RD
CLUB RD
PLUMB RD
WHITE RD
PLEASANT VIEW DR
NORTHVIEW DR
RED CEDAR LA
MEADOWOOD RD
CONGDON ST
WESTFIELD ST
EAST ST
WASHINGTON ST
BOSTON ST
MIDDLE ST
INDUSTRIAL PARK RD
FIELDBROOK DR
GROVE HILL RD
GLENDALE AV
GLENWOOD TER
MINER ST
BROOK DR
DELWOOD AV
COLONY RD
RIDGEFIELD DR
TOWN FARM DR
CANDLEWOOD DR
ORCHARD HILL LA
HERITAGE BLVD
TEN ACRE RD
APPLE LA
EAST LANE
MEETINGHOUSE LA
BURGUNDY HILL LA
RISING TRAIL DR
EASTLAKE DR
WESTLAKE DR
GRANDVIEW DR
TROLLEY CROSSING
RUSSET LA
ROSEMONT DR
ANITA DR
SMITH ST
PLAINVILLE RD
GOODMAN DR
FLYNN LA
CAMBRIDGE PL
POPLAR ST
SBONA DR
OAK RIDGE DR
LISA LA
MEADOWOOD LA
WESTWOOD LA
NEJAKO DR
ASPEN DR
AZALEA DR
ACACIA CT
CASTANEA CT
CHESTNUT VALLEY DR
TUPELO PL
CONGDON ST
MACOMBER LA
BAILEY RD
WESTMONT DR
MILITARY RD
BARBARA RD
NATHAN HALE RD
PAGEDALE PKY
HAVARD PKY
BROADVIEW PLAZA
HICKORY CIR
HIGHVIEW TER
MONMOUTH LA
WILLOW BEE LA
WESTFIELD TER
OLD MILL RD
WALNUT GROVE
MEECH RD
MEECH PARK
FISHER RD
FIR LA
HEMLOCK SPRUCE
PEACHTREE LA
DOGWOOD DR
REDWOOD DR
TUTTLE RD
TUTTLE PL
MILE
CYNTHIA LA
LUCINDA LA
CONGDON ST EAST
BROOKVIEW LA
BRIARWOOD DR
ARAMAMAH RD
NEWFIELD CIR
STONYCHASE DR
ROSE CIR
COGNITCHAUG
LANDFILL
RIVER
BRIDGE
ROSEWELL PARK
MILLER ST
ATWOOD
HARBOR DR
GREEN ST
HARTFORD AV
MAPLE ST
CHESTNUT ST
ELM ST
WALNUT ST
SUMMER ST
PEARL ST
COURT ST
BROAD ST
HAMLIN ST
CHURCH ST
HIGH ST
PARK PL
MAIN ST
DEKOVEN DR
JOHNSON AV
RANGER AV
CASPER ST
CATHERINE ST
GRIFFIN PL
ERIN ST
DONOVAN PARK
MALZONE PL
BEDLAM CT
BEDLAM ST
VINE ST
MT VERNON ST
OAK ST
HUBBARD ST
PEARL ST
COURT ST
HAMLIN ST
CHURCH ST
HIGH ST
PARK PL
MAIN ST
DEKOVEN DR
WARNER AV
SEARS ST
SCHUYLER AV
HARRIS ST
COOLEY ST
MILL ST
SILVER CIR
W SILVER ST
CARLL RD
JEFFERSON AV
GARFIELD AV
HOWARD RD
DEWEY ST
HOBSON ST
ARNOLD ST
MC DOWELL RD
PROUTY RD
COLUMBINE RD
HER-DEL RD
VICTORIA HTS
LAKE RIDGE HTS
SUNNY SLOPE DR
MEADOW BROOK RD
WILCOX RD
LYCEUM RD
CHAMBERLAIN
MOUNT RD
ROMANCHECK PARK
LIVINGSTON
KELSEY ST
LAUREL ST
HEALEY
ACKER DR
PATERSON DR
CRANBERRY LA
FARMVIEW CIR
PROSPECT HILL RD
BLUE HILL RD
BLUE ACRE HILL RD
YELLOW BIRCH RD
YELLOW WOOD ST
VESSEYAN HILLS RD
GREEN BRIAR CIR
YELLOW GREEN RD
YELLOW HILL RD
YELLOW ORANGE RD
YELLOW PINE RD
RED YELLOW RD
RED ORANGE RD
RED RD
ROCK FALL RD
SCENIC VIEW DR
COLONIAL RD
ANDERSON RD
HARVARD PKWY
PRINCETON RD
BRUSH HILL RD
LONG HILL RD
NIVIN
Dooley Rd
Washington Park
Washington Falls State Park
MAPLE
WOOD
ALLISON
MACKENZIE
SILVER
EVERGREEN
WALL ST
DUNHAM ST
HILLSIDE CT
RUSSELL CT
E FOWLER AV
FOWLER AV
SO FRONT ST
E MAIN ST
FRONT ST
RIDGE ST
E RIDGE RD
DURANT TER
DURANT AV
HUNTING HILL AV
FARM HILL
TOWN
SHELLEY RD
EDGEWIN RD
CLOVER RD
CAROL DR
LAKESIDE AV
BIELEFIELD RD
MILLARD LA
HIGHLAND
RANDOLPH
PINE ST
BALDWIN ST
BROWN ST
KNOWLES AV
FAIRVIEW AV
CEMETERY
LOREL CIR
POINSETTIA ST
PINEWOOD TER
DURWIN ST
STEVENS LA
DORA DR
DOWNEY RD
AUSTIN
BENSON
JACOBS TER
CHANEY TER
LEWINGTON AV
HIGH-VIEW RD
BRETTON
BELLVUE
SWIMMING POOL
FOUNTAIN AV
GORDON
WARREN ST
PINE GROVE AV
LONG LA
WOODMAN ST
WADSWORTH
CLARENCE
SANTANGELO CIR
BERKELEY
INNES PL
KNEIT RD
CUBBY LA
MCKENNA DR
DADDARIO
SCHAEFER RD
ROGERS RD
MARKHAM ST
HENDLEY ST
GRACE ST
BATT ST
SPENCER DR
ASTON LA
RANDOLPH CIR
EGAN RD
KEEFE LA
BEVERLY HEIGHTS
MIDDLEFIELD RD
TRANQUILITY DR
BOOMERANG DR
LINDEMERE AV
TOWNSEND AV
TOWNSEND TER
LUDEMERE
TOWNSEND PL
CROSS ST
WEST ST
MILL ST
WALNUT GROVE
BERNICE BROOME DR
MEECH PARK
MEECH RD
FISHER RD
LONG HILL
MAPLE ST
WOOD ST
ALLISON ST
MACKENZIE ST
SILVER ST
EVERGREEN AV

v 1150 P515

Residential Property Record Card - MIDDLETOWN CT

Property Location: 37 Green St **Account:** R08943 **Map Block No:** 22 17-37 15 **Class:** R **State Class:** 104 **Printed** Mon, Jul 11, 2005 **Card 1 of 1**

Current Owner

Dalton John W
5 West Main St
Chester Ct 06412

Previous Owner History

Name	Deed	Date

Miscellaneous

Deed Info:	1150/575·07/22/1997·
Zoning:	B-1
Routing No:	22/673
Neighborhd:	120
Living Units:	2
Census Trct:	5416
District:	1
Estimates	
MRA:	60,500
Weighted:	63,900
Market:	61,600

Assessment Information

Appraised Value: *		Prior
Land:	26,200	26,200
Building:	64,590	64,590
Total:	90,790	90,790

Assessed Information: Code: 100 Value: 63,550

Effective DOV: 10/1/2002
Value Flag: COST
Manual Override Reason:
NO OVERRIDE

Notes

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00

Entrance Information

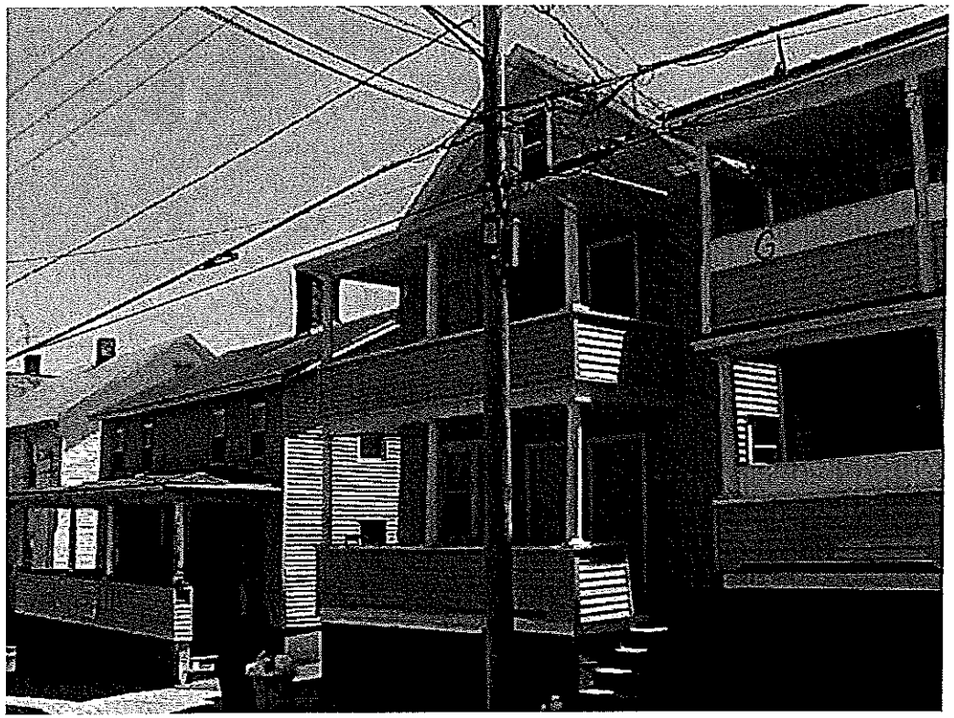
Date	Time	ID	Act	Entrance Code	Sourc
				No Response	Other

Sales History

Book/Page	Date	Price	Type	Validity

Permit Information

Date	Permit #	Price	Purpose	% Comp.
				0
				0



Land Information

Type		Size	Grade	Influence Factor and %	Value
Primary	A	0.06	0	0	26,200

Total Acres for this Parcel 0.06

Out Building Information

Type	Qty	Year	Size1	Size2	Grade	Cond	%Good	Value
	0	0	0	0			0%	0
	0	0	0	0			0%	0
	0	0	0	0			0%	0
	0	0	0	0			0%	0
	0	0	0	0			0%	0
	0	0	0	0			0%	0
	0	0	0	0			0%	0
								0
								0
					Total OBY for this card			0

Cole·Layer·Trumble Company

Inspection witness by: _____

Residential Property Record Card - MIDDLETOWN CT

Property Location: 37 Green St **Account:** R08943 **Map Block No:** 22 17-37 15 **Class:** R **State Class:** 104 **Printed** Mon, Jul 11, 2005 **Card 1 of 1**

Dwelling Information

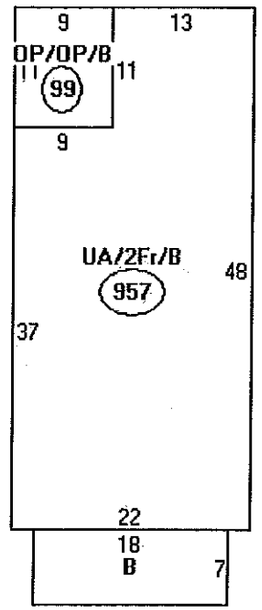
Style:	Two Family		
Condo Style:			
Exterior Walls:	Alum/Vinyl		
Story Height:	2.0		
Attic:	Unfin		
Interior/Exterior:	Same		
Basement:	Full		
Bsmt Garage:	0		
Rec Room size:	0	0	
FBLA size:	0	0	
Unfinished Area:	0		
Inlaw Apts:	0		
WB Fireplace:	**Stacks** 0	**Openings**	0
MTL Fireplace:	**Stacks** 0	**Openings**	0
Heating Type:	Basic		
Fuel:	Oil		
Heating System:	Hot Water		
Year Built:	1900		
Eff. Yr Built:	0		
Ground Flr Area:	957		
Tot Living Area:	1914		
Grade:	C		
Condition:	Average		
Cost/Design:	0		
CDU:	PR		

Building Notes:

	Tot
Rooms:	8
Bedrooms:	4
Full Baths:	2
Half Baths:	0
Add'l Fixtures:	2

Replacement Costs

Base Price:	136,140
Additions:	12,400
Unfinished Area:	0
Basement:	0
Attic:	7,530
Plumbing:	5,400
Heating A/C Adj.:	0
FBLA:	0
Rec Room:	0
Fire Place:	0
Basement Garage:	0
Subtotal:	161,470
Grade Factor:	1
Total RCN:	161,470
Percent Good:	0.4
Market Adj.:	0
Total RCNLD:	64,590



Descriptor/Area

A: UA/2Fr/B
957 sqft

B: OP/OP
126 sqft

C: OP/OP/B
99 sqft

Owner/Values: Includes all Land/Buildings/OBYs for this Parcel

	Current	Cost	Market	Income
Land:	26,200	26,200	0	0
Building:	64,590	64,590	0	0
Total:	90,790	90,790	61,600	0

WARRANTY DEED

TO ALL PEOPLE TO WHOM THESE PRESENTS SHALL COME, GREETING:

KNOW YE, That HOMECOMINGS FINANCIAL NETWORK, INC. a corporation organized and existing under the laws of the State of Delaware, and acting herein by Matt Slonaker its Vice President hereinafter referred to as "Grantor", for the consideration of Ten Thousand Five Hundred Dollars ($10,500.00) received to its full satisfaction of JOHN W. DALTON OF Higganum , Connecticut hereinafter referred to as "Grantee", do grant to the Grantee, with WARRANTY COVENANTS, a certain piece of real property set forth on Schedule A attached hereto and made a part hereof.

IN WITNESS WHEREOF, the Grantor has caused these presents to be executed this 11 day of February, 1998.

Signed, Seal and Delivered in the Presence of:

Brenda L. Dressler
Brenda L. Dressler

Kimberly Warnock
Kimberly Warnock

HOMECOMINGS FINANCIAL NETWORK, INC.

By: Matt Slonaker, V.P.

$11.55 Conveyance Tax received, ST. TX $ 52.50

Sandra P. Nutter
Town Clerk of Middletown

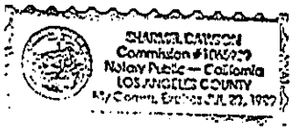
STATE OF CALIFORNIA

COUNTY OF SAN DIEGO

On February 11,1998 before me Sharmel Dawson , Notary Public personally appeared Matt Slonaker personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Sharmel Dawson (Seal)
Sharmel Dawson
My Commission Expires: July 20, 1999



Grantee's Mailing Address:
23 Ledge Rd.
Haddam, CT 06438

SCHEDULE A
PROPERTY DESCRIPTION

The land referred to in this Policy is described as follows:

Property address: 37 Green Street
Middletown, CT 06457

POOR ORIGINAL

A certain piece or parcel of land, together with all buildings and improvements thereon, located on the southerly side of Green Street in the City of Middletown, County of Middlesex and State of Connecticut, being known as No. 37 Green Street, and being more particularly bounded and described as follows:

NORTHERLY: by Green Street, 28 feet, more or less;

EASTERLY: by land now or formerly of Antonio and Deborah A. Genovese, 90 feet, more or less;

SOUTHERLY: by land now or formerly of Carmelo Bartolotta, Louis Bartolotta, Angelo Bartolotta, Lucy Cecchini, Helen Campisi, Anna Fazzino, and Josephine Tyrseck, and by land now or formerly of Constance M. Vitale, partly by each, in all a distance of 28 feet, more or less; and

WESTERLY: by land now or formerly of David Passamano, 90 feet, more or less.

Rec'd for Record FEB 23 1998 at 10 H 30 m A M
Recorded by _____ Town Clerk

CITY OF MIDDLETOWN

MUNICIPAL BUILDING
P.O. BOX 1300, 245 DEKOVEN DRIVE
MIDDLETOWN, CONNECTICUT 06457
TEL. (860) 344-3465 FAX (860) 344-3561

PURCHASE ORDER: 2005-02163

Be advised that the CITY OF MIDDLETOWN IS AN EQUAL OPPORTUNITY EMPLOYER and shall act in accordance with the Equal Employment Opportunity provisions of Section 202 of Part II of Presidential Executive Order 11246 as amended by Executive Order 11375

Ship To: BILL WARNER
PLANNING & ZONING
245 DEKOVEN DR.
MIDDLETOWN, CT 06457

100 GENERAL FUND
140 PLANNING,CONSERVATION,DEVELOP
210 ADMINISTRATION

5680

Vendor:
NITZ, JOHN W. & ASSOCIATES
155 GREYSTONE DRIVE

PLANTVILLE, CT 06479-1856

State/Local Bid Information

Number:
Expiration Date:
Contract Page #:
P.O. Date: 30-Jun-2005

Item	Quantity	Item Description / Manufacturer Model #	Unit Price	Extension
1	1	APPRAISAL REPORT FOR PROPERTY LOCATED AT 37 GREEN STREET	600.00	600.00

Total: $600.00

30-Jun-2005
Date

Phyllis S. Prokop
Purchasing Agent Approval

This Purchase order is subject to the TERMS AND CONDITIONS set forth in our Bid or Quotation and stated on the reverse side hereof or incorporated herein by reference. MUNICIPAL PURCHASE - TAX EXEMPT.

QUALIFICATIONS AND EXPERIENCE OF JOHN W. NITZ, MAI

EDUCATION

University of Connecticut

Bachelor of Science, University of Connecticut; May 1988
Major: Real Estate and Urban Economics

Completed five-course core curriculum in the Center for Real Estate and Urban Economic Studies (CREUS)

Appraisal Institute

1A-1:	Real Estate Appraisal Principles
1A-2:	Basic Valuation Procedures
8-2:	Residential Valuation
1B-A:	Capitalization Theory and Techniques
1B-B:	Capitalization Theory and Techniques
201:	Principles of Income Property Appraising
2-1:	Case Studies in Real Estate Valuation
2-2:	Report Writing and Valuation Analysis
SPP:	Standards of Professional Practice (Parts A and B)

Attended various seminars and workshops sponsored by the Appraisal Institute

PROFESSIONAL AFFILIATIONS

- Currently a Member of the Appraisal Institute (MAI), Member No. 10,643
- Received RPA (Real Property Administrator) designation in the Building Owner's and Manager's Association (BOMA), completed seven property management courses
- Qualified and served as an expert witness
- Licensed and certified by the State of Connecticut, License No. 00000449; the State of Massachusetts, License No. 4407; and the State of New York, License No. 46000030832

EXPERIENCE

Associate Commercial/Industrial Appraiser
Donald J. Nitz & Associates, Inc., of North Haven, Connecticut; May 1986 to May 1992

Commercial Review Appraiser
Society For Savings, in Hartford, Connecticut; May 1992 to May 1993

Senior Review Appraiser
People's Bank, in Bridgeport, Connecticut; June 1993 to February 1994

Instructor
Course 6: Real Estate Investment and Finance - BOMA; February 1995 to May 1995
Appraisal I - University of Connecticut; April 1996 - May 1996;
September 1996 - November 1996; and April 1997 - May 1997

Principal Owner
John W. Nitz & Associates, Wallingford, Connecticut; February 1994 to Present
Properties appraised and/or reviewed include apartment and office buildings, industrial properties, shopping centers, service stations, automobile dealerships, hotels, golf courses, nursing homes, places of worship, various commercial/ residential improvements, single and multi-family dwellings, condominiums, residential subdivisions, farm and raw land, building lots, and railroad trackage.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.

2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.

3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.

4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.

5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.

6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazard wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.

7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.

8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.

9. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.

10. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

File No.
Case No.

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.

2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.

3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.

4. I have no present or prospective interest in the property that is the subject to this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familiar status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.

5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.

6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.

7. I performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.

8. I have personally inspected the interior and exterior areas of the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.

9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

SUPERVISORY APPRAISER'S CERTIFICATION: If a supervisory appraiser signed the appraiser report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

ADDRESS OF PROPERTY APPRAISED: 37 Green Street, Middletown, CT 06457

APPRAISER:

Signature: J.W. Nitz
Name: John W. Nitz, MAI
Date Signed: 9/15/06
State Certification #: 449
or State License #:
State:
Expiration Date of Certification or License: 5/1/06

SUPERVISORY APPRAISER (only if required)

Signature:
Name:
Date Signed:
State Certification #:
or State License #:
State:
Expiration Date of Certification or License:
☐ Did ☐ Did Not Inspect Property